

**BUSINESS AND NONINSTRUCTIONAL OPERATIONS****School Activity Funds**

All funds derived from extra-curricular school activities, such as entertainments, athletic contests, cafeterias, club dues, etc., and from any and all activities of the school, involving school personnel, students, or property, are hereby classified as school activity funds (internal accounts). The Stafford County Board is responsible for the administration of these funds in the schools under its control. The assistant superintendent for finance is delegated by the school board to supervise the operation of these accounts and to ensure that they are operated according to the guidelines as stated below:

1. No school board funds or accounts are to be maintained with student activity funds or accounts.
2. Each school shall keep an accurate record of all receipts and disbursements so that a clear and concise statement of the condition of each fund may be determined at all times.
3. The responsibility for safeguarding, accounting and managing the school activity funds rests solely with the principal. To that end, these duties must be performed in such a manner as to preclude any possible questioning of school officials' trustworthiness. The duties which must be performed in providing proper management and security of funds may be delegated to the degree desired by the principal, but the responsibility remains with the principal.
4. The principal or person so designated shall perform the duties of school finance officer.
5. The school finance officer shall be bonded.
6. An approved automated system shall be used for school activity fund bookkeeping.
7. The assistant superintendent for finance shall schedule an annual audit of all school activity accounts based on the principal's close out date. The field audit must be completed in the office of the school with all financial records remaining in the school. State regulations require that activity funds be audited by personnel approved by the school board. The

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- final date for close of transactions for the fiscal year shall be set by the principal.
8. A copy of the audit must be maintained in each principal's office, in the superintendent's office and a copy given to each school board member at the next school board meeting following the completion of the audit.
  9. No account is to be overdrawn at the end of a fiscal year (those that derive funds from sales of inventories, for example) for any reason. During the year certain accounts may be temporarily overdrawn with the approval of the Assistant Superintendent of Finance.

Regulatory Authority: (1980)

Va. State Board of Education, Regulation, "School Activity Funds (Internal Accounts)" (October 24, 1980).

- I. Classification, responsibility for administration of regulations, exclusion of specific funds
  - II. Records, school finance officer, bonds
  - III. Forms
  - IV. Audits, monthly and annual reports
  - V. Interpretation of regulations and forms
- I. Classification, responsibility for administration of regulations, exclusion of specific funds.

All funds derived from extra-curricula school activities such as entertainment, athletic contests, cafeteria, club dues, etc., and from any and all activities of the school involving personnel, students, or property are hereby classified as school activity funds (internal accounts). The local school boards shall be responsible for the administration of these regulations and may determine which specific funds in any school may be excluded from those subject to these regulations.

#### II. Records, school finance officer, bonds

Each school shall keep an accurate records of all receipts and disbursements so that a clear and concise statement of the condition of each fund may be determined

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at all times. It shall be the duty of each principal to see that such records are maintained in accordance with these regulations and rules promulgated by the local school board. The principal or person designated by him shall perform the duties of school finance officer or central treasurer. The school finance officer shall be bonded and the local school board shall prescribe rules governing such bonds for employees who are responsible for these funds.

**III. Forms**

The use of specific forms prescribed by the Board of Education (State) is not mandatory but the basic information required by the uniform system must be incorporated in such a system as may be substituted for the system designed by the Board of Education (State).

**IV. Audits; monthly and annual reports**

School activity funds (internal accounts) must be audited at least once a year by a duly qualified accountant or accounting firm approved by the local school board and a copy of the audit report filed in the principal's office, and annual reports shall be filed in the office of the principal and division superintendent. The cost of such an audit is a proper charge against the school operating fund or school activity funds.

**V. Interpretation of regulations and forms**

Nothing in these regulations or suggested forms shall be construed as superseding or modifying the federal-state plan for operation of cafeterias under the National School Lunch Act.

Adopted by School Board: March 24, 1987

Amended by School Board: January 22, 1991